

Oriole Resources PLC

("Oriole", the "Company" or the "Group")

Interim Results for the six-month period ended 30 June 2019

Oriole Resources PLC, the AIM-quoted exploration company focussed on West Africa, announces its unaudited Interim Results for the six-month period ended 30 June 2019 (the "Period").

Operational Highlights:

- **Senegal** - in Q1-19, Canadian mid-tier IAMGOLD Corporation ("IAMGOLD") confirmed that it had completed its Year 1 earn-in at the Company's Dalafin gold project in Senegal by spending US\$1 million on exploration at the southernmost Madina Bafé prospect (Announcement dated 28 February 2019). It subsequently embarked on a Year 2 programme for a planned c.9,000 metres ("m") drilling at the Madina Bafé prospect and will extend the programme northwards to test the Saroudia target with a further c.4,000m drilling programme later this year (Announcement dated 31 May 2018). Both prospects are within a 20km truckable distance from its 2.5 million-ounce (Measured and Indicated) Boto gold project where a decision on mine permitting is expected later this year. IAMGOLD has the option to spend a total of US\$8 million at Dalafin by March 2024 to earn a 70% interest in the project;
- **Cameroon** - During the Period, the Company completed its Year 1 earn-in to the Bibemi and Wapouzé gold licences in Cameroon (Announcement dated 21 May 2019) and as at 30 June 2019 had spent US\$1.04 million. A 9,145m Phase 1 trenching programme at the more advanced project, Bibemi, delivered a best intersection of 9m at 3.14 grammes per tonne ("g/t") gold ("Au"). Under the terms of the agreement with Bureau d'Etudes et d'Investigations Géologico-minières, Géotechniques et Géophysiques SARL ("BEIG3"), Oriole can earn up to a 90% interest in the projects by investing a total US\$3.12m over four years;

Financial Highlights:

- The Group's pre-tax loss for the 6 months to 30 June 2019 was £0.75 million (2018: loss of £3.30 million);
- Administrative expenses reduced to £0.58 million (2018: £1.04 million). Consultancy and success-based payment fees in Turkey contributed significantly to this reduction, with net cost of the Turkish operation falling to £0.04 million (2018: £0.17 million);
- UK Corporate costs were also reduced to £0.47 million (2018: £0.72 million), due to reduced directors' fees and reduced professional advisor fees;
- A Research and Development ("R&D") tax relief claim for 2016 in respect of geoscientific advances sought by the Company through its exploration programmes delivered a rebate from Her Majesty's Revenue and Customs ("HMRC") of £40,000 (Announcement dated 21 February 2019). Further rebates for 2017 and 2018 are anticipated later this year;
- The cash balance of the Group as at 30 June 2019 was £0.72 million.

Tim Livesey, CEO of Oriole, said: *"The first half of 2019 has seen significant activity across the Group with our exploration programmes delivering excellent progress in both Senegal and Cameroon. IAMGOLD's commitment to the second year of its US\$8 million earn-in reinforces its confidence in the Dalafin project to deliver additional feed for its Boto mine and we eagerly await IAMGOLD's mine permit approval, which is expected later this year. Meanwhile, we are expanding our position in Cameroon to build on our success to date in what is an underexplored but highly prospective country."*

Interim Management Report

The first six months of 2019 has built on the Company's structural changes in 2018, with good results reported from Oriole's earn-in projects in Cameroon and further progress on the Company's joint-venture on the Dalafin project in Senegal. We continue to look to expand our footprint in Cameroon, and elsewhere we are looking to realise value from Oriole's portfolio of investments and royalties.

At Dalafin, IAMGOLD has met its Year 1 commitment by spending US\$1 million and completing over 5,000m drilling (a mixture of air core ("AC"), reverse circulation ("RC") and diamond drilling ("DD")) at the southernmost Madina Bafé prospect. The work has defined a number of gold anomalies along multi-kilometre strike lengths and has delivered a best intersection of 8m at 2.56 g/t Au (Announcement dated 28 February 2019). IAMGOLD is now well into its Year 2 programme for a planned 13,000m of drilling, and has already completed 4,167m of AC drilling for 869 holes (Announcement dated 5 August 2019). The programme will resume in October 2019 with a further 4,000m of RC drilling planned for Madina Bafé, to test newly defined anomalies at depth, as well as over 3,000m (AC and RC) at the Saroudia prospect immediately to the northeast. The Company has been pleased with its partner's progressive and systematic approach to exploration within

what is an extensive licence area with multiple mineralised prospects. Whilst understandably focusing on the southernmost prospects, that could provide truckable feed to IAMGOLD's adjacent 2.5 million-ounce Boto gold project, IAMGOLD are already showing an interest in progressing exploration northwards. In particular the Faré prospect, c.40 km to the northwest, has the potential to deliver a standalone resource, with previous drilling by Oriole including best results of 96m at 1.51 g/t Au and 7m at 86.39 g/t Au. Now in the second year of a six-year earn-in worth US\$8 million, IAMGOLD has continued to show its commitment to the Dalafin project and also the wider Kédougou-Kéniéba region where it has recently consolidated its position through further licence acquisitions. The Company looks forward to IAMGOLD receiving a decision on its mining permit application later this year, which it hopes will further cement the partnership with Oriole.

In Cameroon, the Group is earning-in to two early-stage gold projects in what it believes to be an exciting new gold exploration district. The first full year of exploration work has seen substantial progress made in defining multiple gold anomalies at both the Bibemi and Wapouzé licences. These licences are held by BEIG3, a well-connected and well-respected local geological services company. BEIG3, in association with the French and Finnish geological surveys (BRGM and GTK, respectively), is also working on the World Bank-funded PRECASEM programme launched in 2012 to gather countrywide geological data. PRECASEM is expected to lead to an increase in foreign investment in the country once the Phase 1 data is released next month, and the Company looks forward to seeing more exploration companies following Oriole's lead.

At Bibemi, we reported results for Phase 1 trenching earlier in the year with a best result of 9m at 3.14 g/t Au (Announcements dated 6 March and 21 May 2019). Phase 2 infill sampling has been completed for 11 trenches totalling 3,504m and samples will be submitted for analysis during Q3-2019. At Wapouzé, Phase 1 soil sampling on the eastern limb of the licence identified two main gold-anomalous zones, Bataol and Bidzar, associated with a northeast-trending shear zone (Announcement dated 18 March 2019). Phase 2 infill soil sampling at the more prospective Bataol Zone has confirmed multiple parallel gold anomalies, also shear-related, including a >60 parts per billion ("ppb") Au anomaly over a 1km by 300m area within a broader, lower-grade (>10 ppb Au) anomaly.

During the Period, the Company met, and exceeded its first-year commitment of US\$0.56 million (Announcement dated 21 May 2019) and anticipates that it will achieve 51% ownership in early 2020 following completion of its second-year commitment. Subject to ongoing results, the Company expects to spend a total of US\$3.12 million by June 2022 to earn-in to a 90% interest in the projects. The Company will also make a number of further licence applications during Q3-2019 to expand its position in the country, both through its existing partnership with BEIG3 and through a newly incorporated subsidiary. Oriole looks forward to updating shareholders with its plans for this portfolio in due course.

The Group has posted a pre-tax loss for the period of £0.75 million (2018 - loss of £3.30 million). A number of factors contributed to this improvement, which in 2018 included a £2.03 million write-off relating to the Group's investment in an associated company. Excluding that write-off and the impact of reduced foreign exchange losses, the Operating Loss reduced from £1.04 million to £0.59 million. A significant portion of this reduction was the receipt of consultancy fees and success-based payments in Turkey, which has delivered an income of US\$0.20 million during the six-month period. The balance of income to costs in Turkey is continuing to improve and we expect the Turkish operation to be cash generative through the second half of 2019.

Administrative and operational costs have been significantly reduced to £0.58 million compared to £1.04 million in the prior year, with the reduction due a combination of the aforementioned successful sub-contracting of the Turkish team to the partners who are advancing the Company's historic projects in the region but also a reduction in the Board's remuneration relative to the previous management and a reduction in professional fees.

Full provision has been made against the carrying amount (£0.23m) of the Group's 7.84% holding in the private Australian company Aforo Resources. A lack of funding for its portfolio in Burkina Faso - particularly given the recent deterioration in the operational safety in the country - has resulted in minimal progress and an expectation that it will shortly withdraw from its joint venture commitments.

During the Period, Oriole's investment in Thani Stratex Resources ("TSR") was diluted from 29.0% to 27.3% as a result of the Company's decision not to provide further funding until a clear strategy for progress had been developed. No work has been undertaken at TSR's projects in Djibouti and Egypt since early 2018. However, following a change in management we understand that TSR is now working on a financial recovery plan and has received indications of significant investment interest in progressing the prospective targets in Djibouti. This is an encouraging development as early results from the Pandora project (within the Oklila licence) were particularly interesting, with gold assays of up to 71.60 g/t Au at surface and significant diamond drilling intersections including 8.30m at 7.21 g/t Au and 35.07m at 1.28 g/t Au (Announcement dated 19 April 2018). Oriole awaits conclusion and implementation of the recovery plan and will provide further details as soon as possible.

Having joined the Company 12 months ago, I am pleased with the progress we have made operationally and I am excited about the continued expansion into Cameroon. The Dalafin project in Senegal is being progressed by IAMGOLD and is of significant value to the Company. With asset realisation a priority elsewhere in the portfolio I believe we have the right team and opportunities in place to drive added value for our investors.

John McGloin
Non-Executive Chairman
On behalf of the Board
28 August 2019

**Condensed Consolidated Interim Financial
Statements
Statement of Consolidated Comprehensive Income**

	Notes	6 months to 30 June 2019 Unaudited £'000	6 months to 30 June 2018 Unaudited £'000
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Continuing operations

Revenue		-	-
Administration expenses		(584)	(1,039)
Exchange losses - net		(9)	(297)
Operating loss		(593)	(1,336)
Finance income		2	65
Share of losses of associates		(74)	(2,030)
Loss on change of ownership interest		(83)	-
Loss before income tax		(748)	(3,301)
Income tax		-	-
Loss for the period		(748)	(3,301)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(61)	327
Items that will not be reclassified subsequently to profit or loss			
Change in fair value of other financial assets		(194)	(114)
Other comprehensive income net of tax		(255)	213
Total comprehensive income for the period		(1,003)	(3,088)

Loss for the period attributable to:

Owners of the Parent Company		(694)	(3,280)
Non-controlling interest		(54)	(21)
Loss for the period		(748)	(3,301)

Total comprehensive income attributable to:

Owners of the Parent Company		(949)	(3,067)
Non-controlling interest		(54)	(21)
Total comprehensive income for the period		(1,003)	(3,088)

Earnings per share - continuing operations:

Basic (pence)	7	(0.10)	(0.68)
Diluted (pence)	7	(0.10)	(0.68)

**Statement of Consolidated Financial
Position
At 30 June 2019**

	Notes	30 June 2019 Unaudited £'000	30 June 2018 Unaudited £'000	31 December 2018 Audited £'000
ASSETS				
Non-current assets				
Property, plant and equipment		23	8	27
Intangible assets	4	7,367	6,463	6,780
Investments in equity-accounted associates	5	2,106	3,650	2,250
Other financial assets		220	467	414
Trade and other receivables		-	66	-
Deferred tax asset		102	167	111
		9,818	10,821	9,582
Current assets				

Trade and other receivables	196	66	783
Cash and cash equivalents	724	2,311	1,287
	920	2,377	2,070
Total assets	10,738	13,198	11,652

EQUITY

Capital and reserves attributable to owners of the Company

Ordinary share capital	4,908	4,908	4,908
Share premium	21,253	21,253	21,253
Other reserves	1,389	2,044	1,701
Retained earnings	(17,051)	(15,247)	(16,427)
Total equity attributable to owners of the Company	10,499	12,958	11,435
Non-controlling interests	(157)	(37)	(103)
Total equity	10,342	12,921	11,332

LIABILITIES

Non-current liabilities

Employee termination benefits	32	29	30
	32	29	30

Current liabilities

Trade and other payables	364	248	290
			320
Total liabilities	396	277	
Total equity and liabilities	10,738	13,198	11,652

Statement of Consolidated Changes in Equity For the 6 months ended 30 June 2019

	Share Capital £'000	Share Premium £'000	Other Reserves £'000	Retained Earnings £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
As at 1 January 2019	4,908	21,253	1,701	(16,427)	11,435	(103)	11,332
Comprehensive income for the period:							
- Loss for the period	-	-	-	(694)	(694)	(54)	(748)
- Other comprehensive income	-	-	(255)	-	(255)	-	(255)
Total comprehensive income for the period	-	-	(255)	(694)	(949)	(54)	(1,003)
Share based payments	-	-	13	-	13	-	13
Expiry of share options	-	-	(70)	70	-	-	-
Total contributions by and distributions to owners of the parent recognised directly in equity	-	-	(57)	70	13	-	13
As at 30 June 2019	4,908	21,253	1,389	(17,051)	10,499	(157)	10,342

As at 1 January 2018	4,673	20,427	1,683	(11,853)	14,930	(16)	14,914
Comprehensive income for the period:							
- Loss for the period	-	-	-	(3,280)	(3,280)	(21)	(3,301)
- Other comprehensive income	-	-	327	(114)	213	-	213
Total comprehensive income for the period	-	-	327	(3,394)	(3,067)	(21)	(3,088)
Share based payments	-	(32)	34	-	2	-	2
Issue of share capital net of expenses	235	858	-	-	1,093	-	1,093
Total contributions by and distributions to owners of the parent recognised directly in equity	235	826	34	-	1,095	-	1,095
As at 30 June 2018	4,908	21,253	2,044	(15,247)	12,958	(37)	12,921

**Statement of Consolidated
Cash Flows**

	6 months to 30 June 2019 Unaudited £'000	6 months to 30 June 2018 Unaudited £'000	12 months to 31 December 2018 Audited £'000
Cash flow from operating activities			
Loss before income tax	(748)	(3,301)	(4,620)
Share based payments	13	2	51
Depreciation	4	1	4
Share of losses of associates	157	2,030	2,141
Impairment write offs on intangible assets	-	-	1,430
Other income and deductions	(2)	(65)	(67)
Foreign exchange movements on operating activities	9	533	46
Changes in working capital:			
Trade and other receivables	539	(103)	(639)
Trade and other payables	71	(648)	(605)
Net cash flow from operating activities	43	(1,551)	(2,259)
Cash flows from investing activities			
Purchase of property, plant, and equipment	-	(1)	(25)
Proceeds from disposal of property, plant and equipment	-	-	2
Purchase of intangible assets (note 4)	(608)	-	(229)
Investment in related companies	-	(156)	(156)
Loan repayment from third party	-	822	787
Interest received	2	65	67
Net cash flow from investing activities	(606)	730	446
Cash flows from financing activities			
Net funds received from issue of shares	-	1,093	1,061
Net cash flow from financing activities	-	1,093	1,061
Net (decrease)/ increase in cash and cash equivalents	(563)	272	(752)
Cash and cash equivalents at beginning of the period	1,287	2,039	2,039
Cash and cash equivalents at end of the period	724	2,311	1,287

Notes to the consolidated interim financial statements for the six months ended 30 June 2019

1. General Information

The principal activity of Oriole Resources PLC ('the Company') and its subsidiaries (together, 'the Group') is the exploration and development of precious and high-value base metals. The Company's shares are quoted on the AIM Market of the London Stock Exchange. The Company is incorporated and domiciled in the UK.

The address of its registered office is 180 Piccadilly, London, W1J 9HF.

2. Basis of preparation

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards and IFRIC interpretations adopted for use in the European Union ("IFRS") as adopted by the European Union. Except as described below, the accounting policies applied in preparing the interim financial information are consistent with those that have been adopted in the Group's 2018 audited financial statements and are expected to be applied in the preparation of the 2019 financial statements. Statutory financial statements for the year ended 31 December 2018 were approved by the Board of Directors on 12 March 2019 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The Board of Directors approved this Interim Financial Report on 28 August 2019.

Going concern

The condensed consolidated interim financial statements have been prepared on a going concern basis. At the date of the financial statements the Directors expect that the Group will require further funding to cover corporate overheads and its operational plans in Cameroon. Operational expenditure includes a significant discretionary component which the Directors may adjust depending upon circumstances. The Directors are confident that the Group will be able to raise further funds as required to meet these plans over the next 12 months, in cash, by asset disposals, debt funding or share issues. Additionally, and to minimise corporate overheads, Directors would be prepared to reduce their cash remuneration if necessary.

Cyclicality

The interim results for the six months ended 30 June 2019 are not necessarily indicative of the results to be expected for the full year ending 31 December 2019. Due to the nature of the entity, the operations are not affected by seasonal variations at this stage.

Financial Risk Management

The key risks that could affect the Group's short and medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2018 Annual Report and Financial Statements, a copy of which is available on the Company's website: www.orioleresources.com. The Group's key financial risks are the availability of adequate funding and foreign exchange movements.

Accounting Policies.

The condensed consolidated interim financial statements have not been audited, nor have they been reviewed by the Company's auditors in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures have been prepared using applicable accounting policies and practices consistent with those adopted in the audited annual financial statements for the year ended 31 December 2018.

Changes in accounting policies and disclosures

i) New and amended standards adopted by the Group and Company

The following IFRSs and IFRICs became effective for the first time on 1 January 2019 and have been adopted by the Group:

Standard	Impact on initial application
IFRS 16	Leases
IFRS 9 (Amendments)	Prepayment features with negative compensation
IAS 28 (Amendments)	Long term interests in associates and joint ventures
2015-2017 Cycle	Annual improvements to IFRS Standards

There were no IFRSs and IFRICs adopted that have a material effect on the Group Financial Statements.

ii) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

Standard	Impact on initial application	Effective date
IFRS 3 (Amendments)	Business combinations	1 January 2020*
IAS 1 & IAS 8 (Amendments)	Definition of material	1 January 2020*

**Subject to EU endorsement*

Of the other IFRSs and IFRICs, none are expected to have a material effect on the Group Financial Statements.

Critical accounting estimates and judgements

The preparation of condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 4 of the Group's 2018 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period. The condensed consolidated interim financial statements have been prepared under the historical cost convention as modified by the measurement of certain investments at fair value.

No dividends have been paid in the period (2018: nil)

3. Operating Segments

Operating segments are reported in a manner which is consistent with internal reports provided to the Chief Operating Decision Makers, identified as the Executive Directors who are responsible for allocating resources and assessing performance of the operating segments. The management structure reflects these segments. The Group's exploration operations and investments are based in three geographical areas, namely Turkey, East Africa and West Africa. The Group's head office is located in the UK and provides corporate and support services to the Group and researches new areas of exploration opportunities.

The allocation of profits, losses, assets and liabilities by operating segment is as follows:

Loss for the period:

	Turkey £'000	East Africa £'000	West Africa £'000	UK £'000	Total £'000
6 months to 30 June 2019					
Administrative costs	(39)	-	(72)	(469)	(580)
Inter-segment charges	(85)	-	(189)	274	-
Finance income	-	-	-	2	2
Depreciation	-	-	-	(4)	(4)
Exchange losses	-	13	(19)	(3)	(9)
Share of losses of associates	-	(157)	-	-	(157)
Loss before Income Tax	(124)	(144)	(280)	(200)	(748)

6 months to 30 June 2018					
Administrative costs	(173)	-	(148)	(717)	(1,038)
Inter-segment charges	(126)	-	(85)	211	-
Finance income	-	-	-	65	65
Depreciation	-	-	-	(1)	(1)
Exchange losses	(377)	-	(25)	105	(297)
Share of losses of associates	-	(2,030)	-	-	(2,030)
Loss before Income Tax	(676)	(2,030)	(258)	(337)	(3,301)

Assets and liabilities:

	Turkey £'000	East Africa £'000	West Africa £'000	UK £'000	Total £'000
6 months to 30 June 2019					
Intangible assets	-	-	7,367	-	7,367
Property, plant and equipment	-	-	-	23	23
Equity-accounted associates	-	2,106	-	-	2,106
Cash and other assets	289	220	7	726	1,242
Liabilities	(228)	-	(6)	(162)	(396)
Inter-segment	(2,892)	-	(1,869)	4,761	-
Net Assets	(2,831)	2,326	5,499	5,348	10,342

6 months to 30 June 2018					
Intangible assets	-	-	6,463	-	6,463
Property, plant and equipment	2	-	1	5	8
Equity-accounted associates	-	3,650	-	-	3,650
Cash and other assets	236	240	234	2,367	3,077
Liabilities	(33)	-	(13)	(231)	(277)
Inter-segment	(2,316)	-	(1,704)	4,020	-
Net Assets	(2,111)	3,890	4,981	6,161	12,921

Cash and other assets include cash and cash equivalents amounting to £724k at 30 June 2019 (2018: £2,311k).

4. Intangible assets

	2019 £'000	2018 £'000
At 1 January	6,780	6,484
Exchange movements	(21)	(21)
Additions	608	-
At 30 June	7,367	6,463

5. Investments in equity-accounted associates

	2019 £'000	2018 £'000
At 1 January	2,250	5,524
Exchange movements	13	(34)
Share of losses	(74)	(2,030)
Reduction due to change in ownership status	(220)	10
Additions	-	156
Share of new capital from third parties	137	24

At 30 June

2,106

3,650

Oriole's shareholding interest in Thani Stratex Resources Limited decreased during the period to 27.3%

6. Related party transactions

Directors of the Company received total remuneration of £171k for the six months ended 30 June 2019 (six months ended 30 June 2018 - £259k).

7. Earnings per share

The calculation of earnings per share is based on the following:

	2019	2018
Loss attributable to equity holders (£'000)	(694)	(3,280)
Weighted average number of shares basic	701,801,276	481,641,220
Earnings per share basic (pence)	(0.10)	(0.68)
Weighted average number of shares diluted	701,801,276	481,641,220
Earnings per share diluted (pence)	(0.10)	(0.68)

As the Group incurred a loss for the period to 30 June 2019, no options or warrants are potentially dilutive in accordance with IAS 33 and hence basic and diluted earnings per share are the same.

The information contained within this announcement is deemed by Oriole to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014.

**** ENDS ****

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Notes to Editors:

Oriole Resources PLC is an AIM-quoted exploration company, focussed on West Africa. It is focused on early-stage exploration in Cameroon (Bibemi and Wapouzé projects) and the more advanced Dalafin gold project in Senegal, where IAMGOLD has the option to spend US\$8m to earn a 70% interest. Year 1 commitments have been met at all three projects. The Company has several interests and royalties in companies operating throughout Africa and Turkey that could deliver future cash flow, and it continues to assess new opportunities in both regions.

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